

ADOPTION TAX CREDIT INCREASE

Prior Law _____

Iowa provides an adoption tax credit for individual income tax, equal to the amount of qualified adoption expenses paid or incurred by the taxpayer during the tax year in connection with the adoption of a child. Previously, the credit could not exceed \$2,500 per adoption.

New Provisions _____

2016 Iowa Acts House File 2468 increases the limit on the adoption tax credit to \$5,000 per adoption.

Section Amended _____

Section 5 of 2016 Iowa Acts House File 2468 amends Section 422.12A, Code 2016.

Effective Date _____

January 1, 2017